


# A lot of opinions, ideas on tax cap concept

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The concept of capping annual tax increases in the city, school and county budgets was generally supported by

 **Claremont** those present at Stevens High School Thursday but its full effect and how it would be implemented remain uncertain.

"This is the most important issue facing the residents of Claremont," City Manager Guy Santagate said before an audience of about 50 residents, school, city, county officials and state representatives. "And this isn't just a problem here in Claremont. What we would do is cap the amount to be raised by

taxes. And we're open to a discussion with local officials and residents. We just want to see the feasibility of capping taxes."

School board member Dave Putnam suggested that a committee be formed to study the possibility of a tax cap.

"I think that this is something that should be looked in to, and I would like to see further action,"

said Putnam.

Maura Carroll, the general counsel with the Municipal Association of New Hampshire, served as the moderator for the discussion and said that in order to put a tax cap in place the city's charter would need to be changed.

"Citizens would need to file a petition to have the charter

changed," said Carroll, adding that the issue would then be brought before the secretary of state and attorney general to make sure that the law is in accordance with New Hampshire's state laws.

Superintendent of Schools Jacqui Guillette said that planning for the school budget was

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difficult because of mandates and the uncertainty of state funding.

"We get a number in November, and we have to go on that number when we make our budget," said Guillet. "And with the state talking about making cuts we don't know how that is going to affect our budget or if we're going to get all of the funding that we were supposed to in November."

Residents voiced their concerns about rising tax rates along with the increased cost of living and poor economic situation affecting the country.

"There needs to be property tax reform because right now in the crisis people have to choose between paying their bills or eating," said resident Levi Sanders. "We need to deal with this issue — if something isn't done, nobody can live in Claremont."

Ken Merrifield, mayor of Franklin, N.H., said that since Franklin employed a tax cap in 1989 the city has been able to grow while keeping the tax rate stable.

"It doesn't limit what you're

able to do, it just limits your ability to spend," said Merrifield. "In the last few years the equalized value in Franklin has risen faster than Dover, Laconia, Manchester and Rochester."

Franklin is one of several New Hampshire communities that employs a tax cap. However, the system in Franklin is different than the system Santagata is proposing in that the tax rate, not the amount to be raised by taxes, is capped.

In Franklin the school budget has to be approved by the city council, unlike Claremont where the school's budget is approved by voters.

Merrifield said that the school and city budgets are capped at the rate of inflation, but that the county rate is not capped, which meant that the city and school had to absorb the increase.

Claremont resident Chris Irish said that he worried about a similar situation in Claremont.

"I do support something to keep taxes low, but if the school is all right, and the city is all right, but the county raises

taxes then it's like robbing Peter to pay Paul," said Irish. "I would like to see that the funds that are raised go back in to the community to repair infrastructure."

"I see that you have been successful in reinvesting in your town, and what you have done over the past 20 years we've been able to do over the last seven," Irish said.

County Commissioner Ben Nelson said that it was difficult to judge the county's tax rate because Medicaid and other costs are shifted from the state government to the county government.

"We've been able to keep the tax rate relatively level despite the state downshifted costs to us," said Nelson. "Sometimes they don't realize how it will affect the counties in towns. They said that they are going to close the judiciary system for the month of February because it will save the state so many dollars, but that means that we have to feed and house prisoner at the department of corrections for another month."